spec 871

1877-78
(Municipal)

File No. 21

Serials 1-4

B

Remission of arrears due by Debsi Contractors of the Town & Conservancy.

Indexed
Dr

No. 1762 Ca

Office of the Cantt. Municipal Commission

Bangalore 24 April 1878.

From

The President,

Cantonment Municipal Commission,

Bangalore

To,

The Secretary to the

Chief Commissioner of Mysore.

Bustee Department.

Sir,

I have the honor to submit in Original to be acknowledged an application from the late Octroi Contractor soliciting a remission of the amount of Arrears due by them on account of the Octroi Contract closed up to 31st December last together with the Resolution of the Municipal Commissioners thereon sanctioning the remission of one half of the amount due by them viz. Arrears 2608-0-4 two thousand six hundreds and eight, Arrears five and paise four, and to request you will be good enough to submit the same for the favorable Consideration of the Chief Commissioner

and

1878.

From

The President,

Cantonment Municipal Commission,

Bangalore.

To

The Secretary to Chief Commissioner,

Foreign General Department.

Dated.

Despatched. 24th April 1878

Received.

Enclosures No. 2

General No. 176

No

Extract from the Proceedings of the Town and Cantonment Mc. Committee of 4 April 78.

Remission of Arrears due on the Octroi Contract.

2. Read. Application from the Late Contractors soliciting a remission of the arrears due by them on account of their Contract for collection of Octroi Duties in the Town and Cantonment of Bangalore closed on the 31st December last.

Resolution that in consideration of the losses sustained by the Contractors during the last year Consequent on the diminished import of Cocoanuts Articles as well as of the diminished sales resulting from the then prevailing distress - the Commissioners resolve to recommend to the Chief Commissioner that a remission be granted to the Contractors of One half of the amount of their arrears viz:— Rs: 2608, 5, 4 due by them at the close of their Contract

Mc Comm. Office
Bangalore
24 April 1878.

Extract:
Lieut. Mc. Comm.
Bangalore

the Chief Commr. of Mysore

Read, letter from President Cantonment Municipal Commrs, dt 24th April 1878, No 776, submitting an application from the late Octroi Contractors, begging for a remission of the amount of arrears due by them, and soliciting confirmation to a Resolution of the Municpl Commrs dated 24th April last, sanctioning a remission, to the extent of Rupees 2600-5-4-

48 7/1/5/78. Order thereon -

The Chief Commr observes that if boxes have been incurred by the Contractors during the year that circumstance appears no sufficient ground for granting the remission proposed, and Mr. Gordon is unable to assent to the policy of readily relieving Contractors of their just liabilities.

2. The resolution of the Municipal Commrs cannot therefore be confirmed

14/5

Secretary

2 Lt Gn 14/5/78

President Cantt Municpl Commrs returning appln from late Octroi Contractors

1878

From

To

The President Council
Mr Commissr

Dated 17th
Despatched } May 1878
Received

Duplicate Enclosures No. 1
General No. 572
Mr. No. 48

Declining to sanction the proposed remission of the amount of arrears due by the late Abstract Contractors of the Town Council of Bangalore.

No. 5754 Etc.

Office of the Cantt. Municipal Commission

Bangalore 19 June 187 8.

From

The President,

Cantonment Municipal Commission,

Bangalore

To,

The Secretary to the

Chief Commissioner of Mysore

Duftur Depart.

Sir,

Referring to the Proceedings of the Chief Commissioner of Mysore No: 512 dated 17 Ult: declining sanction to the proposed remission of the amount of arrears due by the late Ochoi Contractors, I have the honor to submit an Extract from the Proceedings of the Cantonment dated 6 Inst: for a 5 and would beg to solicit the favorable Consideration of the Chief Commissioner to the recommendation therein Contained

I have the honor &c

Sir

Your Most Obd: Servant

President Cantt: Com.

a letter dated 6th
last received from the
Cantonment Board of the
Civil Station stating profits
&c. had declared a
balance against them

Rs 6

Say that my previous
order was not intended
to imply that the Board
had not sufficiently con
sidered the case. I am
satisfied that the matter
has received at the
hands of the Board at
tentive consideration
But it is an unfortunate
question of principle
on which I am unable to
concur with the Board.
a contractor in entering
into a contract takes
on a speculation and
unhesitatingly does so on
the understanding that
he takes all risks &
with a knowledge of all
circumstances — I do not refer
in particular
to Municipal Contracts
but at present, to the
town papers come before me
that there has of late
grown up
in the Province
a tendency on the

5.71

1878.

From

The President,

Cantonment Municipal Commission,

Bangalore.

To

The Secretary to Chief Commissioner,

Civil General Department.

Dated.

Despatched. 19 June 78

Received.

Enclosures No.

General No.

No

Town asks for the favourable
consideration of the
Chief Commissioner an
Account of Road Proj. by 6th
Cantonment

Sub. The matter has
already been fully considered
& decided by the Commr. in
Captain Chetty's case. B.P.J.
forms no precedent 20/6

The Municipal Board has
been removed this appeal

Caxton Press

ment of Contractors to
appeal at once to Govt in
case their speculation
prove unfortunate. The
tendency is mischievous
& unsound. To take the
present case. The Contractor
in question had a contract
for 3 years, in the last
of which, owing entirely
to a very exceptional Con
dition of things, he is
believed to have suffered
considerable loss. But
no mention is made of
the results of the two pre
ceding years, on which
it is to be presumed profits
must have been realized
Now the speculation must
in fairness be taken as
a whole The Contractor
cannot avail himself
of all the profits of the
good years and cry
to Govt. to bear the losses
of the bad. No mention
is made by the Board of
any scrutiny of accounts
of the preceding two years
operations and the Con
tractor is silent on the
subject. In most such cases

Were the speculation known
to exceedingly lucrative
there is no corresponding
disadvantage to the Govt. & a
claim to share in such
profits would be rejected
as Contractor as most
unreasonable & unfair.
If the success of a contract
is purely of obligation.

long it is unjust to the
Municipal taxpayers to
remit a portion of the
contract with refce only
to a third portion of the town.
It is obviously very undesirable
that Contractors should be
led to the belief that they
may bid what they please
for a contract in the reliance
of remission if they are rash.
The precedent referred to
would not seem to be in
point.

It was in consideration
of this nature that I
found myself unable
to accede to the recommen
dations of the Board, a
that I cannot now regret
departure from the decision
at wh I arrived.

JBG
25/6

Extract from the Proceedings of the Cantt Municipal dated 6th June 1898.

5, Read — Proceedings of the Chief Commissioner of Mysore No. 512/48 dated 17th May 1898 Reclining sanction to the recommendation of the Municipal Commissioners for the grant of a remission to the late Contractors in the Amount of Arrears due by them.

Mr. Bernard said that he thought it desirable to point out that the Resolution recommending a remission to be made to the Contractors had been framed at rather readily or without due Consideration of the subject had been brought up at two meetings of the Commissioners and when all the Circumstances connected with the Case had been carefully and thoroughly entered into and discussed, and it was only after giving the matter due and proper Consideration that the Commissioners had determined to recommend a remission to the Contractors of one half, the Amount of Arrears due by them, he suggested whether to prevent any further the matter should be once more referred to the Commissioner and that if he was satisfied, sanction and that the Commissioners did not recommend the Concession but did so after proper and Complete Consideration —

MR

Mr Murray Ingraham said that the Board had made
a most excellent recommending a Commission to the
Local Government and that in making these remarks
more particularly referred to the Case of Rai Bishadur
Lachhia - de-Gupta and to ensure a large Commission
& to Early ween granted -

The Resolution was then submitted to
the meeting and unanimously agreed to

Resolved — That the President be requested to re-
submit this matter for the further Consideration of the
Local Government and that it be at the same time rep-
resented that the previous recommendation had only been
framed after the Transactions & Application had receive
the fullest and most deliberate Consideration by a full
and Convened Meeting of the Board.

True Extract

President Municipal
Committee
19 January 98.

Municipal.

1878.

From

The Secretary to the Chief Commissioner
of Mysore, Duftur Department.

To

The President, Cantonment
Municipal Commission

Dated 9th July 1878
Despatched
Received

Enclosures No.

Duftar General No. 1106
Mun'l No. 91

Declining to accede to
the recommendations of
the Board, as to the sanction
to the proposed remission
of the arrears due by the
late octroi Contractors of
the Town and Cantonment
of Bangalore.

71

Municipal

Proceedings of the Chief Commissioner of Mysore.

Forwarded for orders of Govt. vide Endorsement No. 1106 dated 9/7/78 on Page 91

Read.

Letter No. 575 dated 19 June 1878, from the President Bangalore Municipal Commission, submitting an extract from the Municipal Boards Proceedings of the 6th idem, soliciting reconsideration of the Chief Commissioner's order dated 17th May last No. 572/481 in regard sanction to the proposed remission of the arrears due by the late Octroi Contractors of the Town and Cantonment of Bangalore, was withheld, for reasons therein given.

Order thereon

In his order of 17th May last above quoted, the Chief Commissioner, while expressing a general dissent from the practice of readily relieving Contractors from the liabilities which

hey had undertaken, had
, intention of imputing to
e Board any neglect in
vestigating the grounds on
in this particular instance
hich the remission ~~for the~~
~~1st year~~ was claimed -
involves
The question raised ~~is~~
n important
~~s of~~ principle, and the
resentation of similar -
laims by other contractors,
inded on the mere circum-
tance of the failure, in
single year, from causes
which might ~~very often~~ have
been foreseen, of a speculative
Contract, has convinced
Mr Gordon of the need of
~~measures being taken to~~ checking
a practice which is unsound
in principle and mischievous
in its results, as regards the
interests of the State and of
Contractors alike. The effect
of leniency in such matters
obviously must be to make
bidders for Government
Contracts reckless as to what
they offer, in the confidence
that they will be able to make
good thereafter a claim to
remission.

3. In the present case, the Contractors in question had a contract for 3 years, in the last of which, owing to a very exceptional condition of things, they are believed to have suffered considerable loss. But no mention is made of the results of the transactions during the two preceding years, on which profits and possibly large profits, may have been realized and it cannot be permitted that Contractors should themselves of all the profits of good years, and expect the Government to help out of their losses, when times prove unfavourable.

4. The Chief Commissioner does not learn that any scrutiny has been made into the profits and loss on the business of the Contract in the years prior to 1877-78 and the Contractors are discreetly silent on the subject. Without such scrutiny, it would be very

By the Board

to

[illegible] the Municipal Assessors
to grant a commission in the
absence of consideration—
extending one only each of
the Executive & Contract.
[illegible] a consideration
of [illegible] reduced rent since
[illegible], that the Solicitor
[illegible] authorised [illegible] accede to the
[illegible] of the Assessors, if he
[illegible] ~~is~~ deems it proper
[illegible]

6/7